

FY 2012

Department of the Treasury's Annual Report



Office of Civil Rights and Diversity



Department of the Treasury FY 2012 Annual Report

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INTRODUCTION/MISSION

This report covers the period of October 1, 2011, through September 30, 2012, and outlines the Department of the Treasury's equal employment opportunity (EEO) program activities. The report highlights Treasury's accomplishments during Fiscal Year (FY) 2012 in attaining and maintaining a model EEO Program as well as identifying areas of improvement.

The Department of the Treasury's Mission

The Department of the Treasury's mission is to serve the American people and strengthen national security by managing the U.S. Government's finances effectively, promoting economic growth and stability, and ensuring the safety, soundness and security of U.S. and international finance systems. One way we fulfill this goal is by investing in our people – attracting, developing and retaining the best and the brightest talent. The Department's workforce is one of the most critical factors affecting the achievement of the Department's goals.

Organization

The Department of the Treasury is organized into two major components: the [Departmental Offices](#) and the [operating bureaus](#). The Departmental Offices are primarily responsible for the formulation of policy and management of the Department as a whole, while the operating bureaus carry out the specific operations assigned to the Department. Our bureaus make up 98% of the Treasury work force. The basic functions of the Department of the Treasury include:

- Managing federal finances;
- Collecting taxes, duties and monies paid to and due to the U.S. and paying all bills of the U.S.;
- Manufacturing of currency and coinage;
- Managing government accounts and the public debt;
- Supervising national banks and thrift institutions;
- Advising on domestic and international financial, monetary, economic, trade and tax policy;
- Enforcing federal finance and tax laws; and
- Investigating and prosecuting tax evaders, counterfeiters and forgers.

Department of the Treasury Strategic Plan

Through our Strategic Plan, the Department continues to prioritize the importance of building and maintaining a

high-performing and diverse workforce. We rely on our people to accomplish our mission in a rapidly changing, complex world. Through talent development and performance management, we ensure their efforts produce the highest value results. To enhance our capacity to attract, engage, develop, and retain the highest quality workforce, selected from the broadest talent pools, the Department will continually improve its human capital capabilities.

Department of the Treasury Human Capital Strategic Plan

The goals of the Department of the Treasury Human Capital Strategic Plan focus on a number of significant external factors that affect the current and future workforce. The plan presents a vision and is a roadmap to ensuring the Department remains an excellent place to work and a vibrant place to contribute one's talents and energy towards promoting growth and prosperity of the United States. Our goal is to make the Treasury Department an employer that attracts an engaged workforce, and sets the standard as an employer of choice in the federal government community.

Department of the Treasury Strategic Diversity and Inclusion Plan

Issued on March 21, 2012, the Department's Strategic Diversity and Inclusion Plan is the result of a collaborative effort. A core team of representatives from Human Resources, Diversity and EEO communities from the Department and the bureaus worked together to develop the Department's diversity vision, mission and strategic priorities and corresponding goals. The plan provides a shared direction, encourages commitment and

accountability and creates alignment for all of the components in the Department.

The Strategic Diversity and Inclusion Plan focuses on three key areas: workforce diversity, workplace inclusion, and sustainability.

In FY 2013, the Office of Personnel Management plans to evaluate the Department's success in implementing its plan by evaluating whether it has:

- developed a workforce that reflects all segments of society,
- diversified leadership,
- increased Federal Employee Viewpoint Survey (FEVS) scores,
- reduced EEO complaints, and
- increased the use of telecommuting.

In addition to the development of the Department's Strategic Diversity and Inclusion Plan, each of the Department's bureaus was required to develop an implementation plan. The Office of Civil Rights and Diversity (OCD) periodically met with bureau EEO and Human Resource Officers to review the bureau's implementation plan and evaluate its progress/results.

Organizational Reporting Structure

For Management Directive (MD) 715 reporting purposes, Treasury's second level reporting bureaus are:

- Bureau of Engraving and Printing (BEP)
- Bureau of Fiscal Service (newly established as a result of the consolidation of the Bureau of Public Debt and Financial Management Service)
- Departmental Offices (DO)
- Internal Revenue Service (IRS)
- Internal Revenue Service Office of the Chief Counsel (IRS-CC)
- Office of the Comptroller of the Currency (OCC) and
- U.S. Mint

Bureaus employing fewer than 1,000 employees are required to provide their individual MD-715 reports to Treasury's Office of Civil Rights and Diversity (OCD). These bureaus are Financial Crimes Enforcement Network (FinCEN), the Office of the Inspector General (OIG), Special Inspector General for Troubled Asset Relief Program (SIGTARP), Treasury Inspector General for Tax Administration (TIGTA) and Alcohol and Tobacco Tax and Trade Bureau (TTB).

Each bureau, regardless of its size, has its own distinct reporting structure for its EEO and Human Resource (HR) offices and programs. Therefore, each bureau sets its own policy and procedures regarding the hiring, recruitment and retention of employees within the broad framework of the Department's Human Capital Strategy. OCD, part of the Departmental Offices' organizational structure, is primarily responsible for

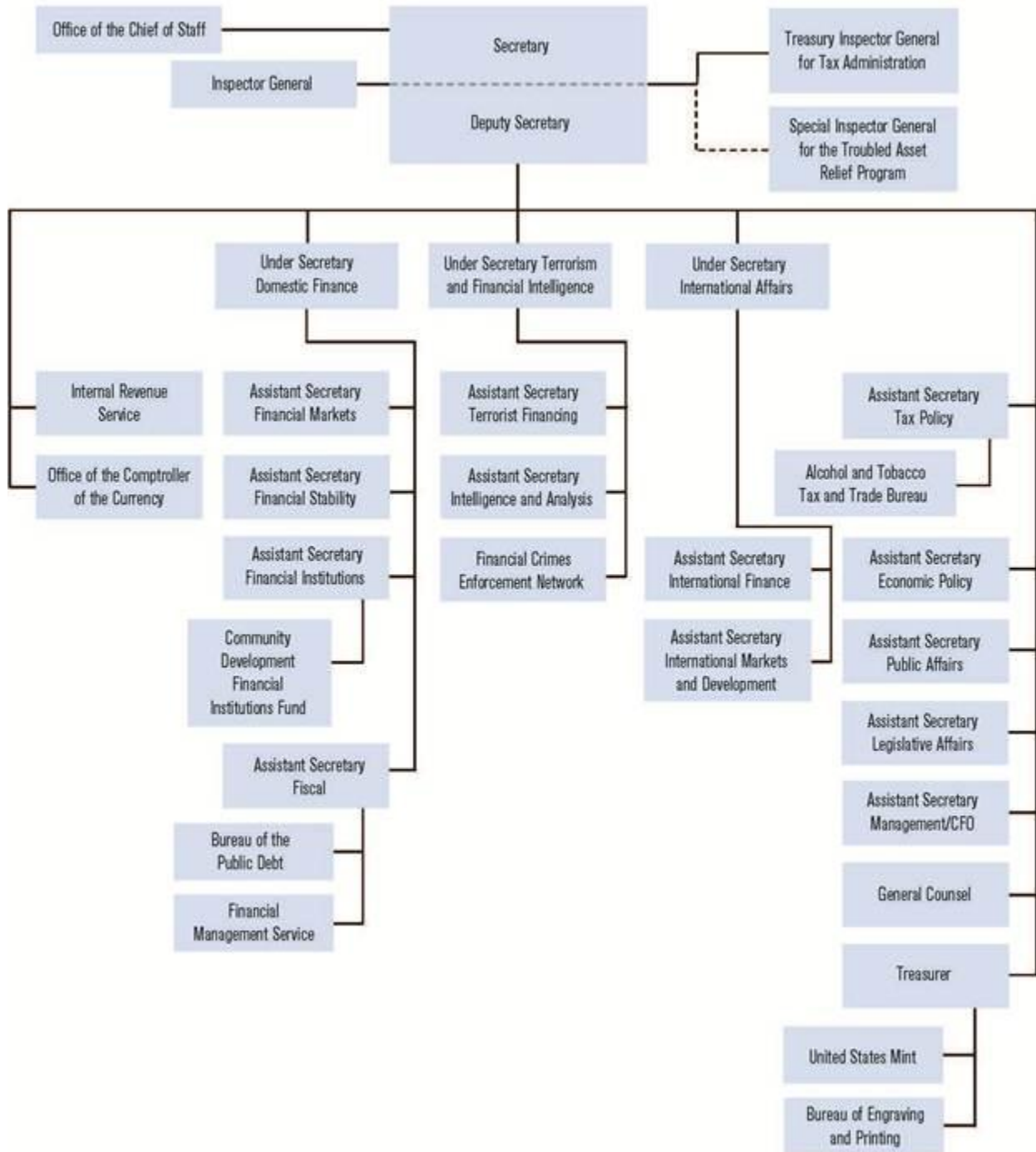
providing guidance and oversight to the bureau EEO offices.

Additionally, a significant change to the Department's organizational structure occurred effective October 7, 2012. President Obama's FY 2013 budget required the Department to consolidate the Bureau of the Public Debt (BPD) and the Financial Management Service (FMS) into a single organization now identified as the Bureau of Fiscal Service (BFS).

While BPD borrows the money needed to operate the federal government and account for the resulting debt, FMS operates the federal government's collections and deposit systems, provides accounting and reporting services, and manages the collection of delinquent debt owed to the government. Together, BPD and FMS provide the financial infrastructure for the federal government. The results of this consolidation will position the Department of the Treasury to better address the federal government's financial management needs. By teaming up, the two bureaus can leverage combined resources and financial management services to federal agencies, allowing it to become the leader for all of government while realizing administrative efficiencies along the way.

Bringing BPD and FMS together also supports President Obama's administration's efforts to reduce the federal government's footprint and manage administrative and IT costs. The consolidation will save an estimated \$36 million dollars over the first five years by eliminating duplicate administrative functions between BPD and FMS.

The Department of the Treasury FY 2012 Organizational Chart**



** Effective October 7, 2012, the Bureau of Public Debt and Financial Management Service were consolidated to become the Bureau of Fiscal Service and will no longer be reporting as separate Treasury Bureau.

The Office of Civil Rights and Diversity

OCRD provides leadership, direction and guidance in carrying out the Department of the Treasury's equal employment opportunity, diversity and civil rights responsibilities. OCRD administers the Department-wide equal employment opportunity and diversity (EEO) program by providing policy, oversight and technical guidance to Treasury bureaus, including the Departmental Offices, on affirmative employment, special emphasis program areas, diversity and EEO complaint processing.

OCRD oversees Treasury's external civil rights efforts to ensure non-discrimination in programs operated or funded by the Department of the Treasury. The external civil rights program ensures individuals are not excluded from participation in, denied the benefits of, or otherwise subjected to prohibited discrimination under programs or activities conducted or funded by the Department.

OCRD also oversees the Treasury's EEO complaint processing functions, including the Treasury Complaint Center, the discrimination complaint processing arm of Treasury. OCRD issues final agency actions on discrimination complaints filed by Treasury employees and applicants for employment.

Challenges

Treasury must remain ever vigilant to ensure that it retains the workforce needed to meet its mission, including retention of top talent and the continual development of employees.

The current environment of budget cuts, as well as hiring freezes, early retirement buy-outs and the significant number of Treasury's employees who are eligible to retire, means that Treasury will have to work even harder to attract diverse talent into its ranks and maintain its position as a great place to launch and build a career. These emerging professionals potentially offer a diversity of skill sets and innovative ideas that could expand Treasury's overall expertise and better represent the population we serve.

We must also ensure we retain our top talent, put succession strategies in place, work to develop our employees and create an inclusive work environment. This is particularly difficult in the harsh budget and political climate employees currently face.

The following sections of this report contain an evaluation of Treasury's EEO programs against the six essential elements of an agency EEO program, as established by MD-715, which reflects Treasury's commitment to maintaining a model EEO program.

Essential Element A: Demonstrated Commitment from Treasury Leadership

On September 19, 2012, Secretary Geithner reaffirmed his commitment to EEO by reissuing his EEO policy statement. Secretary Geithner also issued the Department's first diversity policy statement. These two statements express the Department's support of diversity, equal employment opportunity and a workplace free of discriminatory harassment.

Both policy statements were communicated via email to all Treasury employees. Each of Treasury's bureau heads has committed to EEO and diversity by either issuing or reissuing their policy statements in support of EEO and diversity. Each bureau also ensures that its own EEO Policy and Treasury's EEO Policy are disseminated to all new employees during orientation and are available on the intranet and public internet site if applicable.

Additionally, the Department announced the issuance of the Department's Strategic Diversity and Inclusion Plan to ensure employees and managers were aware of the Department's efforts to ensure that the diversity at the Department reflects the diversity of the nation we serve.

Each bureau also ensures all newly promoted managers and supervisors receive copies of both the bureau and Treasury EEO Policies as a reminder of their role and responsibility in providing a discrimination/harassment-free work environment.

Treasury's policies, orders and directives on EEO matters can be found on Treasury's public internet site located at: http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/eeo_policy.aspx.

Treasury and its bureaus also make written materials available to all employees and applicants, informing them of the variety of EEO programs and administrative and judicial remedial procedures available to them through our internet and intranet sites. OCRD's internet site is located at <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Civil-Rights-and-Diversity.aspx>.

Each Treasury bureau maintains its own performance appraisal form for managers and supervisors that incorporate as a critical element the evaluation of managers and supervisors on their commitment to EEO policies and principles. Additionally, Treasury developed a standard evaluation form for the Senior Executive Service that all bureaus are required to utilize. The SES performance plan also incorporates the required critical element that evaluates SES commitment to the Treasury's EEO policies and principles.

In addition to our managers' EEO performance elements, the Department has established standard performance elements for all of the Department's bureau EEO and HR Officers. These performance standards were implemented during the FY 2012 rating period. The new elements include an evaluation of EEO and HR Officer efforts to build and create a diverse workforce, increase the

participation rate of persons with disabilities and create an inclusive work environment.

Treasury's Reasonable Accommodation policy and procedures are easily accessible to all employees and applicants via our internal and external websites. With the release of the new disability regulations by the Equal Employment Opportunity Commissions (EEOC) in FY 2011, the Department updated its Reasonable Accommodation procedures and provided the procedures to the Equal Employment Opportunity Commission (EEOC) for review. Pending EEOC's review, OCRD has posted an interim copy of the new policy and procedures to its websites at:

http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/eoo_policy.aspx .

In addition, the Department deployed a new web-based reasonable accommodation training module that is available to all Treasury managers and employees via the Treasury Learning Management System. The new training module helps ensure managers and employees are trained on all new procedures as well as any changes to their roles and responsibilities.

Essential Element B: Integration of EEO into the Strategic Mission

The Secretary has delegated authority over all EEO matters to the Assistant Secretary for Management (ASM) through Treasury Order 102-02 located at:

<http://www.treasury.gov/about/role-of-treasury/orders-directives/Pages/to102-02.aspx>. The ASM, who reports directly to the

Secretary and Deputy Secretary, is kept abreast of EEO matters through meetings with the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR/CHCO). The Associate CHCO (Civil Rights and Diversity), who provides day-to-day management of the Equal Employment Opportunity, Civil Rights and Diversity programs in Treasury, has direct access to the ASM to provide him/her with critical information regarding these programs. In addition, the Associate CHCO (Civil Rights and Diversity) has regular weekly meetings with the DASHR/CHCO on the status of EEO programs. This reporting structure continues to allow Treasury Headquarters EEO and HR components to work in unison to develop corporate strategies in the hiring, recruitment and retention of Treasury employees.

In order to maintain a model EEO program, Treasury recognizes that it must provide the infrastructure necessary to achieve the ultimate goal of a discrimination/harassment-free work environment, characterized by an atmosphere of inclusion and free and open competition for employment opportunities. A number of significant external factors affect the current and future workforce. These factors impact the skill sets and resources needed to accomplish shifting mission priorities and requirements. They also influence the Department's efforts and choices in delivering and strategically managing its human capital programs. These factors include but are not limited to the economy, the Federal budget and workplace culture.

Economy: Traditionally, changes in the economy have had a direct impact on the government's ability to attract and retain its workforce. Historically, an underperforming economy has led job seekers to look at positions in the federal government, which offer stability. Furthermore, economic downturns have historically led to some people delaying plans for retirement.

Federal Budget: Department funding levels in a constrained budget environment, as well as delays in annual appropriations, have the potential to adversely affect implementation of human capital strategies and programs. Traditionally, human capital programs are among the first programs to experience financial reductions in tight budget years.

Work Culture: Treasury has enjoyed a long and proud history as a premier Federal employer. However, Treasury must continue to embrace the changes required to attract, develop and retain a diverse workforce. Employers must accept that their relationship with employees will last only as long as employees feel the organization is adequately compensating them for the work they perform and providing the appropriate level of developmental opportunities. Flexible work environments that offer work place options such as telework and alternative work schedule, and recognition for a job well done through monetary, non-monetary and/or career enhancing incentives can be paramount in retaining a workforce capable of addressing the Department's mission.

To that end, Treasury utilizes both the Human Capital Strategic Plan

and the Strategic Diversity and Inclusion Plan to provide a vision for Treasury and its bureaus. Both plans identify key factors affecting the strategic outlook of the Department of the Treasury and specifically recognize the Department's workforce as one of the most critical factors potentially affecting the achievement of the Department's goals. It is a workforce that is expected to be dramatically impacted by numerous and varied global, demographic and technological changes. As a result, the Department's plans ensure that the Department:

- recognizes that meeting these challenges is the responsibility of all program managers, supervisors, and leaders of the Department in partnership with the Department's human capital professionals;
- acknowledges the shrinking talent pool from which to recruit, and is prepared to respond to the increased pressure to retain current employees and strengthen recruiting capabilities;
- recognizes that diversity is a much broader concept that goes beyond age, ethnicity and gender to new dimensions, which include not only sexual orientation but also education, family status and work experience;
- prepares to manage organizations with a multi-sector workforce, consisting of a variety of types of Federal employees (e.g., full-time, part-time, seasonal, temporary, and permanent) and an increasing

number of contractor personnel;
and

- assists leaders in developing competencies in networking, coaching, mentoring, excelling in varied settings, and tolerating change and ambiguity.

To support these efforts, the DASHR/CHCO continued to convene bi-monthly meetings of Treasury's Human Capital Advisory Council (HCAC), which consists of bureau EEO, HR, and Training officers. The HCAC develops the Human Capital (HC) Operating Plan, as well as the HC Strategic Plan, to ensure the EEO, HR, and training communities collaborate on our overall goals and objectives.

Treasury Women 3.0: The Secretary's Initiative on the Status of Women

The distribution of women across grades is of particular interest to the Department and, on September 24-25, 2012, nearly 100 women from across Treasury convened in a landmark forum, Treasury Women 3.0: The Secretary's Initiative on the Status of Women. The forum, led by Departmental Office's Office of Minority, Women and Inclusion (OMWI), with representatives from OCC's OMWI Office, OCRD and the Treasury Executive Institute, was designed to elicit insights, recommendations, and to develop priorities to enhance the experience of women throughout the Treasury workplace. The participants were charged with formulating recommendations and priorities that could help ensure that Treasury women at all levels have equal opportunities for advancement.

The two day forum consisted of speakers, panel discussions and intensive workgroup deliberations. Treasury Secretary Timothy F. Geithner opened the forum, noting that Treasury has the most women appointed to Senate-confirmed position in its history, with five of Treasury's nine key functional areas headed by women, in addition to the Treasurer of the United States. He further indicated that while there has been considerable progress increasing gender diversity and advancement, the work is not finished and more can be done.

Each participating employee was nominated by his/her bureau and represented a sampling of women throughout the Treasury workforce from various career stages, occupations and demographics. The participants were assigned to one of ten workgroups, based on their career stage or occupation, and engaged in intensive and candid discussions on issues relevant to women in the Department's workforce and proposed solutions to the noted concerns. Below is a summary of the top ten ranked priority recommendations:

Career Stage Category Priorities

- Coaching and Mentoring
- Increased Diversity Awareness
- Centralized Recruitment and Training
- Formal On-Boarding Method
- Mandatory Supervisor Training

Occupation Category Priorities

- Expanded Leadership/Training Opportunities
- Consistent Work/Life Balance Policy
- Diversity Policy Accountability
- Rotated/Shared Developmental Opportunities
- Succession Planning

The next steps in the process will depend on several factors: 1) leadership acceptance of the recommendations from the forum, 2) approval and resource support to implement a plan of action based on the recommendations, and 3) the will of all employees to commit to transforming the organizational culture throughout Treasury to foster greater diversity and inclusion.

Fall Speaker Series

Treasury also continued with its speaker series where senior Treasury officials provided their unique perspectives and insights on important topics:

- Pathways to Success: Advice on Career Management for Young Professionals
- Leadership/Management in the Federal Government: Effective Tools for Treasury's Leaders

Treasury Executive Institute Coaching – Putting You First for Excellence

The Treasury Executive Institute (TEI) offers individual coaching services for a six-month period. All TEI coaches have completed, or are in the process

of completing, certification through the International Coaching Federation (ICF).

One-on-one coaching can be conducted face-to-face or virtually and is an excellent way to: review 360 feedback results; achieve professional goals and go to the next step; solve individual leadership challenges; excel in self-awareness and self-management; gain clarity in decision making and purpose; and/or develop leadership attributes and behaviors of empathy, self-disclosure, active listening, and giving and receiving feedback.

TEI provides coaching in different formats:

- **One-on-One Coaching** - This offering can be conducted face-to-face or virtually.
- **Peer Cohorts** - This offering is an excellent strategy for building leadership skills, collaboration, learning, and effective use of questions in a group setting.
- **Continuing Coach Education Series** - This session focuses on building coaching skills. The programs are specific one-day workshops offered by marketplace leaders and available to all TEI cadre coaches.
- **Coaching Skills for Managers Workshops** - Coaching is a powerful tool for any manager seeking to develop others in a learning organization and to maximize employee performance and engagement.

- **Coach Training** - In exchange for the coach training, each individual agrees to serve on TEI's internal coaching cadre and provide approximately 10 hours per month of pro-bono coaching to employees in TEI participating agencies and bureaus for 24 months after beginning the coaching program. TEI manages the matching of the coaches and clients. This program is open to GS-14's (and equivalents) and above.

For FY 2012, TEI provided coaching services to 202 clients using 41 coaches.

Internship Programs

To attract a diverse applicant pool, Treasury continues to utilize available hiring flexibilities, such as Student Intern Programs. Internship programs play a significant role in ensuring that a diverse pipeline of talent is available to fill mission critical occupations being vacated by an aging workforce.

Treasury continues to take the lead in establishing/maintaining partnerships with existing external internship programs that attract highly qualified, educated and diverse students. Internship programs such as the Pathways Program, Hispanic Association of Colleges and Universities' (HACU) Hispanic Serving Institutes National Internship Program (HSINIP), the International Leadership Foundation (ILF), INROADS, Operation Warfighter, the Washington Internship



Program for Native Students (WINS), the Workforce Recruitment Program (WRP), The Washington Center, Thurgood Marshall College Fund (TMCf), and the National Association for Equal Opportunity in Education (NAFEO) continue to provide Treasury and its bureaus an avenue to identify and expand the pool of potential candidates to fill mission critical vacancies and to grow new talent.

Hispanic Serving Institutions National Internship Program (HSINIP)

As a way to develop a pipeline of Hispanic employees, Treasury has maintained its partnership with HACU's Hispanic Serving Institutions National Internship Program (HSINIP). Viewed as a cornerstone of diversity recruitment, the HSINIP aims to increase employment opportunities for Hispanic students throughout the federal government.

During FY 2012, Treasury placed 20 (spring, summer and fall) HACU interns. The interns were sponsored by the BEP, DO, FMS, TIGTA, IRS, and FinCEN. Of the 20 HACU interns sponsored in FY 2012, two were converted to permanent employees.

Washington Internship for Native Students (WINS)

The WINS program grew out of a small summer program founded at American University in 1994. WINS provides an opportunity for Native American and Alaska Native students to live in Washington, D.C., gain professional work experience through an internship, and earn academic credit. Participants intern at an agency for 36 hours each week and prepare a prescribed portfolio on their work

experience and research for a total of six college credits. In FY 2012, the Department's bureaus sponsored five interns through the WINS program.

National Association for Equal Opportunity in Education (NAFEO)

NAFEO offers an efficient and effective process for recruiting the best and brightest candidates, with a focus on matching government agencies with well-prepared young professionals, from undergraduate to graduate level candidates, attending Historically Black Colleges and Universities. In FY 2012, the Department's bureaus sponsored two interns through the NAFEO.

International Leadership Foundation (ILF)

Since FY 2005, Treasury has partnered with the International Leadership Foundation (ILF) to provide Asian American Students exposure to public service. The ILF is a non-profit organization which gives scholarships to Asian American college students and places them in public service internships to help prepare them to become tomorrow's leaders. During FY 2012, Treasury placed four ILF interns.

Workforce Recruitment Program (WRP)

WRP is a resource to connect public and private sector employers nationwide with highly motivated post-secondary students and recent graduates with disabilities who are eager to prove their abilities in the workforce.

Coordinated by the Department of Labor and the Department of Defense, the WRP sends trained recruiters to conduct personal interviews with interested students on college and university campuses annually. Treasury provided seven recruiters (from DO, IRS and FinCEN). From these interviews, a data base was compiled containing information on more than 1,500 college students and recent graduates seeking temporary or permanent jobs. In FY 2012, Treasury hired five WRP students.

The Washington Center for Internships (TWC)

The Washington Center for Internships (TWC) is an independent, non-profit organization serving hundreds of colleges and universities in the United States by providing students challenging opportunities to work and learn in Washington, D.C. In FY 2012, the Department's bureaus hosted 13 TWC interns.

Thurgood Marshall College Fund (TMCf)

The Thurgood Marshall College Fund (TMCf) serves as a liaison in assisting students and agencies in matching skills and needs for a successful internship experience. In FY 2012, the Department's bureaus hosted nine interns through the TMCf.

INROADS Program

INROADS assist agencies in accessing diverse talent through early identification and continuous leadership

development of outstanding students. Through its unique leadership development process, INROADS assists agencies with anticipating business needs and identifying quality diverse employees who can contribute to meeting agencies' mission needs. In FY 2012, the Department's bureaus hosted 11 interns through INROADS, of which, one was converted to a permanent employee in FY 2012.

Operation Warfighter

Operation Warfighter (OWF) is a temporary assignment/internship program, developed by the Department of Defense, for service members who are convalescing at military treatment facilities (initially in the National Capitol Region but increasingly throughout the United States). The program provides recuperating service members with meaningful activity outside of the hospital environment and offers a formal means of transition back to the military or civilian workforce. In FY 2012, the Department's bureaus hosted four interns through Operation Warfighter. Of the four OWF interns, one was converted to a permanent employee.

Other Intern Programs

Treasury's bureaus placed 102 other interns through internal internship programs. IRS sponsored one intern through the Organization for Chinese Americans. OCC sponsored 90 interns through its internal internship programs such as the National Academy of Finance (13), the Entry Level Examiner Program, the District Financial Internship Program (10), the Human Resources Internship Program

(5), the Economics Internship Program (11), the Financial Management Internship Program (12) and the Information Technology Service Internship Program (39). Of the OCC internship programs, seven of the interns were converted to permanent employees.

In FY 2012, DO established relationships with two new organizations to offer internship opportunities. Through these new relationships, DO sponsored three interns, two from the Congressional Hispanic Caucus Institute and one from the Howard University Externship Program.

FMS sponsored eight interns with disabilities through programs such as the Maryland Department of Rehabilitation (DORS) (6) and the Veteran Administration Non-Paid Work Experience Program (2).

Finally, with the decline in funding availability and budget constraints, many of our bureaus are establishing unpaid internship opportunities. During FY 2012, Treasury's bureaus hosted an additional 348 non-paid interns through various internal programs.

Essential Element C: Management and Program Accountability

Treasury continues to provide guidance and assistance to its bureaus on the requirements under MD-715 for establishing and maintaining a model EEO program.

The Department also continued to enhance the EEO community's access to relevant workforce data by

providing quarterly workforce data tables as well as conducting quarterly data reviews to enhance the accuracy of Treasury's workforce data.

OCRDR conducted one-on-one Basic MD-715 training sessions for new bureau EEO personnel responsible for the preparation of bureau MD-715 reports. The training provided basic guidance on MD-715 reporting requirements, explained how to review workforce data tables, how to identify triggers, and most importantly discussed getting beyond the data tables to take the next steps in conducting barrier analysis by evaluating relevant policies, practices, procedure, or conditions within the bureaus.

Additionally, OCRDR and HR Connect provided training on the use of Workforce Analytics the Adhoc Query tool for DO EEO and DO HR to assist in understanding the importance of a communication and teamwork when it comes to MD-715 and the barrier analysis process.

Throughout FY 2012, OCRDR continued to work with Treasury's HR Connect Program Office and the bureaus to enhance the delivery and usability of Treasury's automated workforce data tables and analysis tools.

Treasury also continued the use of its automated Exit Survey tool deployed on February 5, 2010. The Exit Survey results are a valuable source for guiding bureaus towards identifying potential barriers in the areas of career advancement,

professional development, and provision of reasonable accommodations.

During FY 2012 a total of 13,770¹ employees separated from Treasury; 9,451² were permanent/seasonal employees and 4,319 were temporary. From those separations, 9,970 were voluntary; 8,711 permanent/seasonal and 1,256 temporary. From the voluntarily separating employees, we received a total of 2,332 (27%) responses. Of the 2,332 responses, 95% (2,214) were permanent/seasonal employees, of whom 8% (178) were persons with disabilities, and 5% (118) were temporary employees³.

While Whites represent 58% of the Department's total permanent workforce, Whites represented 64% of the voluntarily separating permanent/seasonal employees and 72% of the respondents who took the Exit Survey. Males represent 37% of the Department's total permanent workforce, 39% of the voluntarily separating permanent/seasonal employees and 45% of those who completed the Exit Survey.

Separating permanent/seasonal employees tended to be older than the workforce; 78% of the permanent/

¹ Data does not include those employees separating from the Office of the Special Inspector General for the Troubled Asset Relief Program (30) or the Office of the Inspector General (27).

² Data on the number of voluntary separations was provided by the HR Connect Program Office as of September 22, 2012.

³ No analysis was conducted on the temporary employees because 118 respondents are insufficient for conducting a statistically significant analysis.

seasonal respondents to the Exit Survey reported being 50 years of age or older and 57% indicated their length of service was more than 25 years. This is not an unexpected result as the reason most frequently cited for separating permanent/seasonal respondents was retirement (1,563 out of 2,214 or 71%). Only 18%, or 394, identified they were leaving due to a promotion, transfer or accepting a position at another Federal/State Agency, non-profit or private sector organization and 5%, or 115, identified resigning for other reasons not listed.

Only 2% of the voluntarily separating permanent/seasonal employees cited "Other" (39) as to why they were leaving. The "Other" responses most frequently cited that they were offered VERA/VSIP (early buy out).

A high proportion of departing employees identified their Treasury work experience as positive (86% of permanent/seasonal employees). However, a significant percentage (52%) of permanent/seasonal employees reported job related stress was not manageable and 32% indicated that their workload was not reasonable. Additionally, 44% indicated that the morale in their office was not good.

Departing permanent/seasonal employees responded favorably overall to most questions related to work experience. However, a significant number of responses from departing permanent/seasonal employees cited insufficient career growth and lack of opportunity to participate in decisions (37%) as well as insufficient access to career development opportunities (36%).

During the period from October 1, 2011 through September 22, 2012, there were 1,130 permanent/seasonal persons with disabilities (PWD) separated from the Department. Of those, 1,050 were voluntary; 618 were retirements, 334 were resignations, and 63 were transfers. Of the voluntary separations, 176 separating disabled employees responded to the Department's survey, a 16% response rate.

Overall responses from PWD mirrored the overall permanent/seasonal employee responses in that 49% (86) had more than 25 years of service, 84% (147) were age 50 or older, and 36% (63) were veterans. The most frequently cited reasons for separation of PWD were retirement (119 or 68%), resignation (16 or 9%), and other (11 or 6%).

Again, the factor most frequently cited by a PWD for leaving was job stress (63%). Other factors worth noting include low office morale (54%), inadequate pay level in relationship to job responsibilities and performance (46%), inability to participate in decision making (44%), insufficient ability to demonstrate skills [percentage?] and unreasonableness of workload (43% each).

Seventy-nine percent of the respondents indicated their work experience was generally positive and 73% stated they would recommend Treasury as a good place to work. However, in contrast to the overall response of separating permanent employees (74%), only 67% of those separating with a disability said they

would be interested in returning to work for Treasury.

In FY 2012, the Department was ranked seventh among the top ten best places to work in the Partnership for Public Service's annual Best Places to Work report. These rankings are based on employee responses to OPM's FY 2012 Federal Employee Viewpoint Survey (FEDView). The Partnership for Public Service report also identified the top five agencies in the categories of effective leadership, employee skills/mission match, pay, strategic management, work/life balance and telework. Treasury was ranked as one of the top five agencies in three of the six categories: effective leadership (5th), work/life balance (4th), and teamwork (3rd).

In addition, three of Treasury's bureaus were ranked among the top agency subcomponents; OIG (13th), TTB (15th), and OCC (21st). OIG (1st) and TTB (2nd) also ranked as the two highest subcomponents in the category of pay and tied, with both ranking 3rd, in strategic management. In the category of work/life balance, TIGTA ranked 4th and OIG was ranked 5th.

The overall results of the FEDView survey revealed that despite the challenges Treasury employees have been faced with throughout FY 2012 (such as pay freezes, program cuts and consolidation of two bureaus), overall, they still feel their work is important and satisfying. The overall results ranked the Department between 8th and 16th among the 37 agencies on the Human Capital Assessment and Accountability Framework (HCAAF) index in four

categories: 8th on Leadership & Knowledge Management (9th in 2011), 12th on Results-Oriented Performance Culture (9th in 2011), 12th on Talent Management (10th in 2011) and 16th on Job Satisfaction (8th in 2011).

The areas Treasury employees were most satisfied with included:

- willingness to put in the extra effort to get the job done,
- satisfaction with work/life programs to include alternative work schedules and telework,
- the importance of their jobs,
- consistently looking for ways to do their jobs better,
- the quality of the work done in their office,
- accountability for achieving results,
- understanding how their work related to Treasury's goals and priorities,
- being treated with respect by their supervisor/team leader, and
- knowing what is expected of them on the job.

While the Department was above the Government-wide responses in all areas by at least 5 percent, the areas where the Department still needs to focus on improving in FY 2013 include its employees' perceptions in the areas of:

- pay raises depend on how well employees perform their jobs,
- satisfaction with opportunities to get a better job within Treasury,
- ensuring that steps are taken to deal with poor performers who cannot or will not improve,
- having sufficient resources to get the job done,

- recognizing the difference in performance in meaningful ways,
- providing empowerment with respect to work processes,
- recruiting people with the right skills, and
- rewarding creativity and innovation.

In addition, OPM has indicated that it will use the responses to certain questions on the FEVS as indicators of agencies' progress in achieving an inclusive workplace. While not finalized, it appears that OPM will look at responses to 20 questions. The Department's overall positive response rates on the 2012 FEVS exceeded the government-wide rates on all of those questions. In addition, OPM considers a positive response rate of 65% or more to be an agency "strength." The Department met or exceeded a 65% positive response rate on 9 of the 20 questions.

In FY 2013, the Office of Human Capital and Strategic Management (HCSM) and bureau HR Offices will develop a Treasury-wide/bureau action plan to address the top areas needing improvement:

- Leadership,
- Performance Management, and
- Job Satisfaction.

The results from the Exit Survey and Employee Viewpoint Survey have been shared with the bureaus along with the recommendation that the bureau-specific results be reviewed and the results incorporated into each bureau's FY 2012 MD-715 report, along with the details of any action plans developed to address noted areas of concern. OCRD

and HR plan to continue to monitor the results of the Exit Survey at least semi-annually to ensure bureau action plans continue to result in the desired outcomes.

In order to strengthen the Department's oversight of the bureaus, OCRD continued the deployment of its EEO audit program established in FY 2008. During the 4th quarter of FY 2012, OCRD partnered with OPM, HCSM, and the IRS Office of Equity, Diversity & Inclusion (EDI) to conduct an audit of the embedded EEO program in IRS' business unit, Criminal Investigations (C&I). The results of the audit will be shared with senior leadership (C&I, IRS and EDI) during the first quarter of FY 2013.

In addition, OCRD formally assessed the progress made by bureaus in implementing the recommendations set forth in previous audit reports issued during FY 2008 through FY 2010 and instituted follow up where appropriate.

Essential Element D: Proactive Prevention of Unlawful Discrimination

SPECIAL EMPHASIS PROGRAMS

Special Emphasis Programs (SEPs) provide a framework for incorporating EEO principles of fairness and equal opportunity into the fabric of the Department, across the employment spectrum. Established throughout the Department, the three federally mandated SEPs -- the Hispanic Employment Program, the Federal Women's Program, and the Persons with Disabilities Program -- reflect the Department's commitment to

equal opportunity, dignity, and respect. At their discretion, individual bureaus have also established other SEPs such as the African-American, Asian American / Pacific Islander and the American Indian /Alaska Native employment programs.

SEP Managers and Coordinators serve as resource persons or advisors on the unique concerns of the particular constituent group and support the Internship Programs and other partnerships discussed previously.

In February 2011, the Department held its first Affinity group meeting to gauge employees' interest in establishing a Blacks in Government (BIG) chapter at Treasury. Based on an overwhelming response, a memorandum of understanding was established between the Department of the Treasury and BIG and the Treasury-BIG chapter was established on February 16, 2012.

SPECIAL EVENTS/TRAINING

Our programs provide an opportunity to inform and train employees through sponsorship of a variety of events and speakers designed to educate the workforce about diversity and understanding differences. The FY 2012 programs were:

- National Disability Employment Awareness program, "*Profit by Investing in Workers with Disabilities*", was held on 10/20/11 with guest speaker Robert L. Chauncey;
- American Indian/Alaska Native program, "*Service, Honor,*

Respect: Strengthening our Cultures and Communities", was held on 11/16/11 with guest speaker Mary K. Phillips;

- Black History program, "*Black Women in American History and Culture*", was held on 2/16/12 with guest speaker A'Lelia Bundles, great granddaughter of Madam C.J. Walker;
- Women's History Month program "*Women's Education – Women's Empowerment*", was held on 3/28/12. Attendees had a unique opportunity to meet and engage with Treasury's top women leaders as they shared their wisdom and experience "in a flash" about career, work life balance, and other relevant questions; and
- Inter-Agency Days of Remembrance Program was held on 5/9/12 with guest speakers Stefania Kenigswain Sitbon, Henry Abraham, and Ernst Floeter.

In April 2012, it was determined that although Treasury's special emphasis events were educational, Department-wide events (typically held in the Main Treasury building) were not sufficiently well-attended because they were inconveniently located and/or conflicted with bureau specific mission requirements or events sponsored by individual bureaus. In addition, the Secret Service requirement of pre-planned clearance to enter the Main Treasury building was off-putting for many employees. Therefore, starting in April 2012, OCRD discontinued

augmenting bureau specific events with Department-wide events. OCRD determined it would instead support the Treasury Executive Institute by funding a position to build a diversity training program for leadership.

Treasury-wide Diversity Training Events

Treasury's Executive Institute (TEI) hosted a variety of training sessions for Treasury employees and managers geared towards enhancing knowledge of diversity:

- Quiet: The Power of Introverts in a World That Can't Stop Talking;
- The Power of Presence: Unlock Your Potential to Influence and Engage Others;
- Lost Kingdom: Hawaii's Last Queen, the Sugar Kings and America's First Imperial Adventure;
- Black Patriots and Loyalists: Fighting for Emancipation in the War for Independence;
- Making Sense of People: Decoding the Mysteries of Personality;
- OPM Diversity and Inclusion Workshop;
- Conflict of North America;
- Executive Women in Government/TEI 5th Annual Flash Mentoring Event;
- Transformational Leadership with Dr. Srikumar Rao;

- Why Engagement Matters – The Business Case; and
- The Decision to Trust – Building Trust to Increase Employee Engagement.

ALTERNATIVE DISPUTE RESOLUTION (ADR)

The Department has devoted significant resources to resolving conflict through dispute prevention and through alternative dispute resolution (ADR)

methods. Conflict that results in formal disputes is costly and disruptive to the workforce.



Annually, the Department hosts the Treasury Dispute Prevention Week to promote conflict resolution and alternative dispute resolution practices. The events bring attention to the Department's ultimate goal of lessening workplace conflict that detracts from employee satisfaction and undermines organizational effectiveness. The Department's FY 2012 Dispute Prevention Week was held June 25-29, 2012. This year's training, titled, "*Using Creativity to Resolve Conflict*," presented several creative techniques to reframe conflict, generate multiple options to resolve conflict, and find common ground between individuals. In addition, the U.S. Mint, Bureau of Engraving and Printing (BEP), Alcohol and Tobacco Tax and Trade Bureau (TTB), and the Financial Crimes Enforcement Network (FinCEN) hosted various activities within their

respective bureaus in support of Treasury Dispute Prevention Week.

In FY 2012, 97% of EEO counseling contacts were offered ADR, and 58% of those offered ADR participated in ADR at the informal level.

ADR Offered to Complainants (Informal) FY 2012

Total Counseling	746
Total ADR Offered	727
Total Accepted	429
Offer Rate	97%
Acceptance Rate	58%

During FY 2012, 81% of complainants were offered ADR in the formal EEO complaint process, an increase from 73% offered in FY 2011. The acceptance rate by complainants who filed formal complaints was 10%.

ADR Offered to Complainants (Formal) FY 2012

Formal Complaints	407
Total ADR Offered	330
Total Accepted	41
Offer Rate	81%
Acceptance Rate	10%

Shared Neutrals Program

Through the Treasury Shared Neutrals (TSN) Program, Treasury maintains a nationwide cadre of certified and highly trained neutrals (also known as mediators). TSN mediators are employees from various organizations trained in the art of mediation who voluntarily serve on a collateral-duty basis. Their objective is to assist bureaus in resolving all types

of workplace disputes at the earliest stages of the conflict and to provide a resolution through mediation, facilitation, and coaching.

Throughout FY 2012, the OCC Office of Minority and Women Inclusion continued to serve as Administrator for the Treasury Shared Neutrals (TSN) program. The TSN program provided skilled mediators for 55 mediations/facilitations and had a 38% resolution rate. Additionally, the TSN program expanded the geography of TSN services outside the Washington, DC area to Chicago, Dallas and West Virginia, and enhanced the services offered (conducting facilitations and non-EEO mediations).

Essential Element E: Efficiency

Treasury has sufficient staffing, funding and authority to comply with the time frames established in EEOC regulations (29 CFR §1614) for processing EEO complaints of employment discrimination. Treasury promotes and utilizes an efficient and fair dispute resolution process and has a system in place for evaluating the impact and effectiveness of the Department's EEO complaint processing program. Treasury's complaint management system, I-Trak, continues to provide greater Department-wide tracking and case management capabilities for both the formal and informal complaint process.

Discrimination Complaints

In the area of discrimination complaints, OCRD is responsible for providing authoritative advice to bureau EEO staff, and the Treasury Complaint Center. OCRD also develops complaint policies and procedures and produces high quality final agency decisions. In addition, OCRD oversees the Department's appeal process, tracks all appeal decisions, and monitors compliance with decisions issued by the EEOC.

The Treasury Complaint Center, located in Dallas, TX, is responsible for the acceptance and the investigation of all formal complaints of discrimination, except for those cases which would present a conflict of interest.

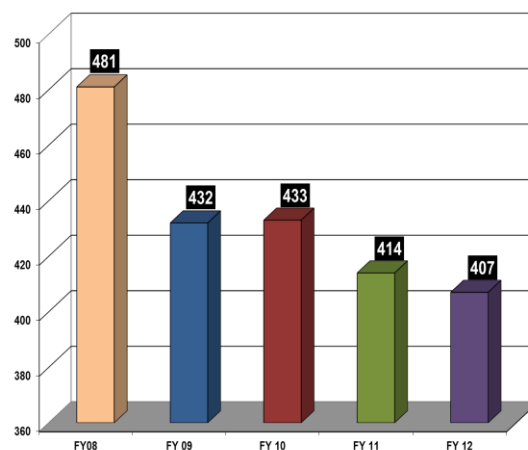
Discrimination complaints may be accepted on the basis of race, color, national origin, religion, sex, age, disability, protected genetic information, or reprisal.

The Department also has special procedures for handling complaints on the basis of sexual orientation or parental status. These two bases were added in response to Presidential Executive Orders.

Complaint Activity

Treasury timely submitted the EEOC 462 Report in October 2012. The 462 Report is an annual assessment of the agency's formal and informal complaints, and of avenues used to resolve issues prior to and during the complaint process.

During FY 2012, the number of EEO complaints filed by Treasury employees and applicants (407) decreased by 1.9% (7) from the number filed in FY 2011 (414).



* Prior to FY 2010, protected genetic information complaints were processed under the Department's modified procedures. Since the passing of the Genetic Information Non-Discrimination Act (GINA) in November 2009, these complaints have been processed as EEO complaints in the statutory complaint process.

At the close of FY 2011, Treasury had 543 complaints pending that were carried over to FY 2012. During FY 2012, 407 complaints were filed and Treasury closed 407 complaints.

In FY 2012, the Department timely completed 96.6% of EEO counselings, an increase of 0.4% from 96.2% in FY 2011.

By the end of FY 2012, agency personnel completed 285 investigations. There were 135 investigations (47.4%) completed within 180 days, 143 (50.2%) completed between 181-360 days and seven (2.5%) investigations were completed in 361 or more days. Because time frames are extended under certain situations, 87% of all investigations were timely completed, a decrease from 95% in FY 2011.

In FY 2012, Treasury issued 167 final agency decisions in cases where a hearing was not requested. Of these decisions, 123 were merit decisions and 44 were procedural dismissals. In FY 2012, five merit decisions (3%) found discrimination.

Overall in FY 2012, Treasury processed 123 merit decisions within an average of 41 processing days, which is an improvement compared to the 48 average processing days in FY 2011, and is well below the 60 average processing days mandated by EEOC. Eighty-eight percent (108) of those merit decisions were timely issued within 60 days of receipt of the decision request, an improvement over the 78% (99) that were timely issued in FY 2011.

Treasury issued 110 final agency actions in cases with an administrative judge's decision (i.e., cases where a hearing was requested); one of which involved a finding of discrimination.

At the end of FY 2012, Treasury again had 543 complaints pending. Pending complaints can be at the acknowledgement, investigation, hearing or final agency decision stages.

At the end of FY 2012, 34% of pending complaints were at the investigation stage. Fifty-two percent were pending a hearing before an EEOC Administrative Judge⁴. A total of 38 (7%) of the complaints remained pending in the final agency decision/action phase.

At Treasury, the most frequently cited bases for complaints are reprisal, disability and age, and the most frequently cited issues are harassment (non-sexual), terms and conditions of employment, and evaluation/appraisal. The issues and bases cited at the Department mirror the Government-wide trends.

While the Department consistently strives to improve the efficiency of our complaint processing, we also strive to ensure quality is not sacrificed for speed. To emphasize the quality of products delivered from the Department's complaint processing staff, we note that Treasury continues to have one of the lowest reversal rates for procedural decisions of the 14

⁴ Case decisions pending before an EEOC administrative judge are outside the control of the agency.

cabinet level agencies. In FY 2011⁵, Treasury had the fourth lowest reversal rate of the cabinet level agencies, with the EEOC reversing only 11.1% (4) of Treasury's procedural decisions (the decision reversal rates for all cabinet level agencies ranged from 0% to 50.0%).

EEOC Procedural Closure Reversal Rates for Cabinet Level Agencies (FY 2011)

Agency	# EEOC Procedural Closures	# EEOC Procedural Reversals	% of EEOC Procedural Reversals
Labor	10	0	0.0
Interior	16	0	0.0
Commerce	89	7	7.9
Treasury	36	4	11.1
DOT	55	7	12.7
DHS	110	17	15.5
DOJ	76	13	17.1
HUD	11	2	18.2
VA	190	43	22.6
State	12	3	25.0
USDA	42	12	28.6
HHS	31	11	35.5
Education	2	1	50.0

The percentage of Treasury employees who filed formal EEO complaints has fallen from 0.47% of the workforce in FY 2005 (577 complainants) to 0.32% in FY 2012 (370 complainants). According to the EEOC, in FY 2011, Treasury had the second fewest complainants as a percentage of the workforce (0.29%) of all the cabinet level agencies.

EEO Complainants as a Percentage of the Workforce (FY 2011)*

Agency	Complainants as a Percentage of Total Workforce
State	0.16
Treasury	0.29
Interior	0.36
USDA	0.45
Energy	(Unavailable)
HHS	0.55
DOT	0.55
DOJ	0.59
DHS	0.61
VA	0.66
Commerce	0.67
Labor	0.84
Education	0.86
HUD	1.05

* Note that since a complainant may file more than one complaint, the number of complainants is typically fewer than the number of complaints.

⁵ FY 2011 is the latest year for which government- wide complaint data is available.

**Essential Element F:
Responsiveness and Legal
Compliance**

Treasury is in compliance with the law, including EEOC regulations, directives, orders and other instructions. The Department has posted all required No Fear Act information, provided the required training, and consistently filed timely MD-715 and EEOC Form 462 report as well as other reports required by EEOC and OPM.

External Civil Rights

OCRCD ensures the Treasury bureaus are in compliance with the external civil rights laws applicable to their federally conducted and assisted programs. Treasury's nondiscrimination policy provides that individuals have equal opportunity to participate in, and receive benefits from, all programs or activities funded by the Department. To ensure compliance, OCRCD develops policy, conducts oversight, and provides technical assistance and training to the Treasury bureaus. OCRCD also processes complaints from individuals alleging discrimination in Treasury conducted or assisted programs and activities.

Programs offering federal financial assistance are defined as programs providing monetary or non-monetary assistance to a recipient to support a public purpose. Federal financial assistance includes, but is not limited to, grants and loans of federal funds, donations of federal property, training, details of federal personnel, and any agreements, arrangements or other contracts which have as one of

their purposes the provision of assistance. A federally conducted program or activity is, in simple terms, anything a federal agency does.

Civil rights complaints alleging race, color or national origin discrimination in programs or activities receiving Treasury financial assistance may be filed pursuant to Title VI of the Civil Rights Act of 1964. Complaints alleging age discrimination in Treasury assisted programs may be filed pursuant to the Age Discrimination Act of 1975. Complaints alleging sex discrimination in Treasury assisted educational programs may be filed pursuant to Title IX of the Education Amendments of 1972. Complaints alleging disability discrimination in programs or activities receiving financial assistance from, or conducted by the Department, may be filed pursuant to Section 504 of the Rehabilitation Act of 1973. Complaints alleging denial of accessibility to electronic and information technology in use by the Department may be filed pursuant to Section 508 of the Rehabilitation Act of 1973, as amended.

In FY 2012, Treasury received 39 complaints of discrimination or inquiries pertaining to the external civil rights program, compared to 32 complaints and inquiries received during FY 2011. Of the external complaints filed in FY 2012, five were determined to fall under the jurisdiction of the Department and accepted for investigation. One complaint resulted in a finding of disability discrimination by the Internal Revenue Service (IRS) and corrective actions were ordered.

During FY 2012, OCRD continued the work of ensuring that Treasury regulations and policies were in place. A draft regulation implementing Section 504 of the Rehabilitation Act to Treasury's assisted programs was developed. In FY 2012, OCRD conducted a joint internal compliance review with the IRS examining the civil rights compliance of a sample of Taxpayer Assistance Centers and VITA program sites in the City of New York. OCRD continued to provide technical assistance to the IRS. In July 2012, the OCRD civil rights specialists provided introductory civil rights training to the new specialists of the IRS Civil Rights Division.

OCRD is part of the Treasury Open Government Working Group, and in FY12 worked on the Treasury Open Government Flagship Initiative to create an Accessible Treasury Portal. The Treasury Accessibility Portal provides information about accessibility solutions available to persons with disabilities, and improved the offering of foreign language materials for limited English proficient individuals who speak Spanish. In its second phase, the initiative will result in a multilingual portal providing information in languages other than Spanish, including three Asian languages.

Agency/Bureau State of the Agency MD-715 Briefings

During FY 2012, the Department conducted its FY 2011 State of the Agency Briefing with senior leadership on January 18, 2012. Immediately following the submission of



Treasury's FY 2012 MD-715 report, OCRD will brief senior leadership on the Department's status in maintaining a model EEO Program during FY 2012.

The Department also continued to hold its one-on-one briefings with each of its bureaus in an effort to improve the mutual understanding of bureau program deficiencies and workforce triggers/barriers. As previously noted, each bureau, regardless of its size, has its own distinct reporting structure for its EEO and HR and establishes its own policy and procedures regarding the hiring, recruitment and retention of employees. Therefore, the required barrier analysis must be completed at the bureau level.

These briefings provide a forum for OCRD and bureau EEO staff to dialogue about possible internal and external factors that may be contributing to triggers/barriers, recommend the direction of the bureau barrier analysis and identify corporate strategies that may assist bureaus in determining if workplace barriers exist.

OCRD also provided each bureau an assessment of its FY 2011 MD-715 report, acknowledging accomplishments and noting areas for improvement. OCRD continues to require each bureau to select a minimum of one or two key areas and conduct or at least initiate the required barrier analyses to determine if barriers exist. If barriers were found, the bureaus were required to prepare a PART I and establish plans to eliminate the identified barriers during FY 2012. If no barrier existed, then the bureaus were required to either submit a PART I with the required analysis that proved no barriers exist or include the detailed information in its MD-715 Executive

Summary. OCRD will be reviewing bureau reports on barrier analysis and will provide feedback to the bureaus and a summary of actions in next year's report.

Workforce Demographics

The MD-715 report contains Treasury's workforce demographics over the seven year period of FY 2005 to FY 2012⁶. For the last several years, Treasury's bureaus have identified that a lack of focused recruitment and outreach has impacted the diversity of their workforce. The two groups whose participation rates have been of the most concern have been Hispanics and individuals with targeted disabilities.

For a cabinet level agency the size of Treasury, it is impractical to expect any demographic data to change by more than a percent in a single fiscal year. Indeed, such data typically varies only by tenths of a percent from one year to the next. However, as a result of the bureaus' established recruitment and outreach plans to increase diversity in those areas with lower than expected participation rates (see bureau MD-715

Reports for analysis and PART I's associated with bureau specific triggers/ barrier analysis), Treasury has made significant progress in increasing the participation rates for Hispanics and maintaining its participation rate for individuals with targeted disabilities. In FY 2010⁷, the Department continued to maintain the highest participation rate of individuals with targeted disabilities among cabinet level agencies according to EEOC's FY 2010 report, which is the latest data available. And of significant note, in FY 2012, the Department came close to meeting its goal that 2% of all new permanent hires would be persons with targeted disabilities (PWTD) (1.70%) and met the goal that 10% of all new permanent hires be persons with disabilities (PWD) (11.74%).

Participation Rates in the Permanent Workforce

As of the close of FY 2012, Treasury had 110,966 permanent employees, a decrease of 6,427 (-5.47% net change) employees from FY 2011. This decrease is primarily due to reduced budgets which limited hiring opportunities in FY 2012 and downsizing within several of Treasury's bureaus.

When examining workforce demographics, comparisons are made to the 2000 Civilian Labor Force (CLF)⁸

⁶ During FY 2003, several former Treasury components were placed within the Department of Homeland Security and the Department of Justice. These Treasury components included the U.S. Secret Service, U.S. Customs Service, and Federal Law Enforcement Training Center, which were incorporated into the new Department of Homeland Security, as well as the Bureau of Alcohol, Tobacco and Firearms, which was transferred to the Department of Justice. These changes continued to impact the Department throughout FY 2004, thus data from FY 2005 is the beginning point used for any trend analysis of Treasury's workforce.

⁷ FY 2010 is the most current Government-wide workforce data available.

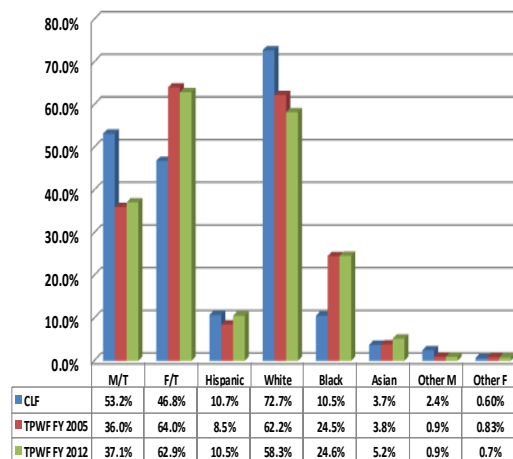
⁸ Civilian Labor Force (CLF) data is derived from the decennial census reflecting persons 16 years of age or older who are employed or are seeking employment, excluding those in the Armed Services. Currently, CLF data is based on the 2000 Census and is not adjusted for citizenship. Updated CLF data, adjusted for citizenship, will be available for future reports.

availability rates. A comparison of FY 2012 participation rates in Treasury's permanent workforce for men and women shows little change from FY 2005. Women continue to be drawn to employment opportunities at the Department and comprised 62.9% of the permanent workforce in FY 2012. This rate continues to exceed the CLF rate of 48.8%, and is a slight decrease of 1.1% from FY 2005 (64%).

Thus, the participation rate for men in Treasury's permanent workforce increased by 1.1%, from 36% in FY 2005 to 37.1% in FY 2012. This 37.1% participation rate for men remains below the CLF availability rate of 53.2%.

In FY 2005, Treasury's permanent workforce was 62.2% White and 37.8% non-White. In FY 2012, Whites were 58.3% of the workforce and non-Whites increased to 41.7%. Thus, Treasury has noted a positive trend in the increased participation rate for non-Whites in the overall workforce. In fact, Blacks and Asians are participating at rates greater than their CLF availability rates and Hispanics, American Indian/Alaska Natives and Native Hawaiian or Other Pacific Islanders are participating at rates very close to their availability rates. Whites and Two or More Races are the only groups participating at rates significantly below their CLF availability rates.

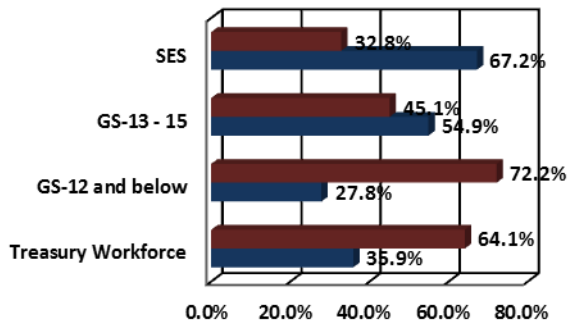
**Permanent Workforce Demographics
CLF Comparison
FY 2005 and FY 2012**



* Others includes employees who are American Indian Alaska Natives, Native Hawaiian or Other Pacific Islanders and Two or More Races

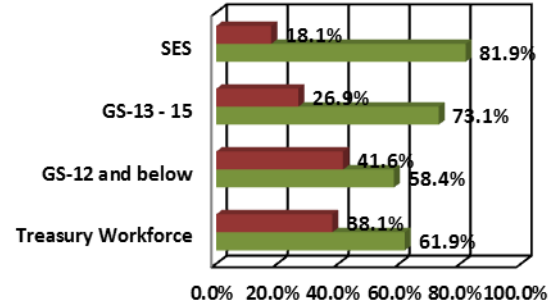
Another area of focus for the Department is the grade distribution of men/women and White/non-Whites in Treasury's workforce, particularly in the higher grades. Over the last eight years, Treasury has seen an increased participation rate for women in the GS-13 through GS-15 grades and in SES positions. At the GS-13 through GS-15 grade level, the participation rate for women increased by 4.1%, from 45.1% in FY 2005 to 49.2% in FY 2012. At the SES level, the participation rate for women increased by 9.2%, from 32.8% in FY 2005 to 42% in FY 2012.

FY 2005 Grade Distribution by Gender



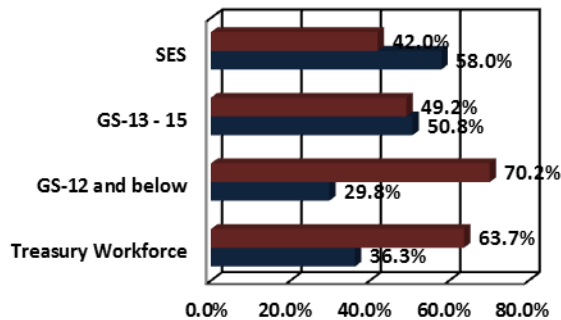
	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Women	64.1%	72.2%	45.1%	32.8%
Men	35.9%	27.8%	54.9%	67.2%

FY 2005 Grade Distribution by White and Non-White



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Non White	38.1%	41.6%	26.9%	18.1%
White	61.9%	58.4%	73.1%	81.9%

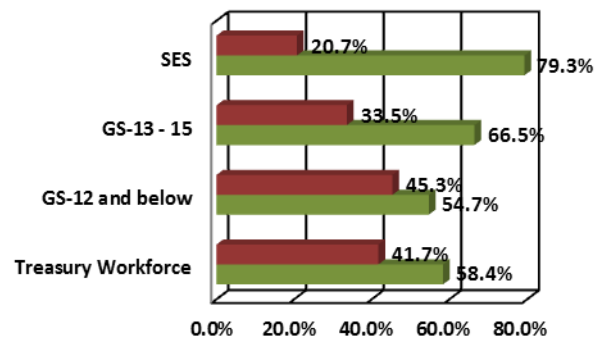
FY 2012 Grade Distribution by Gender



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Women	63.7%	70.2%	49.2%	42.0%
Men	36.3%	29.8%	50.8%	58.0%

The Department has also seen an increased participation rate for non-Whites in the higher grades. At the GS-13 through GS-15 grade level, the participation rate for non-Whites increased by 6.6%, from 26.9% in FY 2005 to 33.5% in FY 2012. At the SES level, the participation rate increased by 2.6%, from 18.1% in FY 2005 to 20.7% in FY 2012.

FY 2012 Grade Distribution by White and Non-White



	Treasury Workforce	GS-12 and below	GS-13 - 15	SES
Non White	41.7%	45.3%	33.5%	20.7%
White	58.4%	54.7%	66.5%	79.3%

HISPANICS AT TREASURY

The Office of Personnel Management (OPM) released its *Fiscal Year (FY) 2011 Government-wide Hispanic Employment Data Report to the President* on July 26, 2012. This report examines Hispanic permanent representation in the Federal Government as of September 30, 2011. The report states that, at the end of FY 2011, the percentage of Hispanics in the permanent Federal workforce increased from 8.0% in FY 2010 to 8.1%. The Department of the

Treasury, the Department of Homeland Security, NASA, and the Department of Labor accounted for approximately 50 percent of all Hispanic permanent new hires in FY 2011. However, the Department did see a decrease in the number of permanent Hispanic new hires from FY 2010 (14.7%) to FY 2011 (10.0%), primarily due to limited hiring at the IRS. The Department of Homeland Security continued to employ the largest percentage of Hispanics, with 20.9% of its total workforce identified as Hispanic, followed by the Social Security Administration (14.3%), the Equal Employment Opportunity Commission (13.4%), and the Department of the Treasury (9.1%)⁹.

The Department's participation rate of Hispanics (10.5%) is slightly below the civilian labor force (CLF) availability rate of 10.7%. However, Treasury has noted a slight increase in the Department's Hispanic representation rate from FY 2011 (10.3%) to FY 2012 (10.5%). Hispanics are represented in the Department's workforce at a rate significantly above the Government-wide rate of 8.1%. Moreover, the 2010 Census results, which will be used in future reporting, now take citizenship into consideration. The new CLF is expected to reflect a slightly lower availability rate for Hispanics (9.9%), which is below the Department's 10.5% participation rate.

⁹ OPM reported Treasury's FY 2011 participation rate for permanent Hispanics employees as being 9.1%. However, Treasury's participation rate of permanent Hispanic employees was 10.3%. We note that the difference is the result of OPM excluding IRS' permanent seasonal employees.

EMPLOYEES WITH TARGETED DISABILITIES

Treasury has maintained the highest participation rate of employees with targeted disabilities¹⁰ of all the cabinet-level agencies for at least the past eight fiscal years (FY 2004 – FY 2011)¹¹. Also noteworthy, Treasury was among the top 10 agencies recognized in Office of Disability Employment Policy (ODEP) Promising and Emerging Practices for Enhancing the Employment of Individuals with Disabilities. ODEP reviewed all agency plans submitted in accordance with executive order 13548 and selected the top 10 plans. The primary criteria used to select the 10 agency plans was their breadth, depth, and uniqueness of promising and emerging practices as determined collaboratively by EEOC, OPM, and DOL.

In FY 2012, each Treasury bureau set new numerical hiring goals to meet or exceed the Department's 10% goal for people with disabilities, including a 2% sub-goal for people with targeted

¹⁰ Disability data is gathered from the U.S. Office of Personnel Management's Standard Form (SF) 256, which allows federal employees to self-identify as having any of a variety of impairments. "Targeted disabilities" are those impairments identified on Part I of the SF-256 as "Targeted/Severe Disabilities". The EEOC has instructed federal agencies to focus on people with targeted disabilities, generally because these impairments are obvious during the hiring stage and present evident need for reasonable accommodation. The targeted disabilities are: deafness, blindness, paralysis, missing extremities, epilepsy, dwarfism, psychiatric disability and severe intellectual disability.

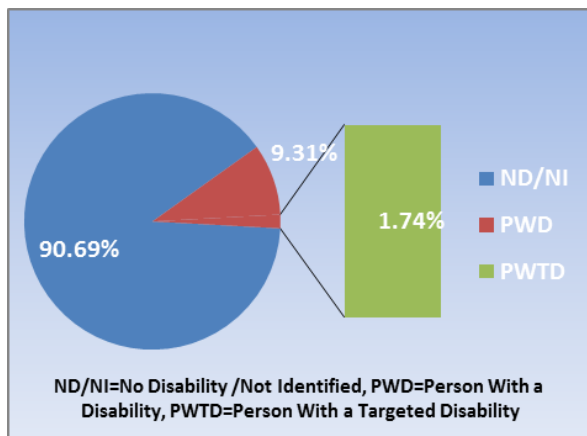
¹¹ Government-wide data for FY 2011 is not available at this time; however, we anticipate little to no change in the Department's ranking.

disabilities. And of significant note, in FY 2012, the Department came close to meeting its goal that 2% of all new permanent hires would be persons with targeted disabilities (PWTD) (1.70%) and met the goal that 10% of all new permanent hires be persons with disabilities (PWD) (11.74%).

We are also pleased to note that two Treasury bureaus met the overall goal that 2% of all new hires be PWTD: IRS (2.21%) and OIG (5.88%).

Although the Department's overall number of permanent employees with targeted disabilities decreased from 2,058 in FY 2011 to 1,927 in FY 2012, the total size of Treasury's permanent workforce also decreased from 117,393 to 110,966. As a result, at the end of FY 2012, the Department's overall participation rate of permanent employees with targeted disabilities decreased only slightly, from 1.75% in FY 2011 to 1.74% in FY 2012.

FY 2012 Participation Rate for PWTD



FY 2012 Disability Participation Rates By Bureau (Permanent)

Bureau	TOTAL	PWD #	PWD %	PWTD #	PWTD %
BEP	1847	106	5.74%	12	0.65%
BPD	1975	211	10.68%	24	1.22%
DO	1615	75	4.64%	8	0.50%
FinCEN	282	18	6.38%	3	1.06%
FMS	1508	118	7.82%	21	1.39%
IRS	94504	9196	9.73%	1785	1.89%
IRS-CC	2249	129	5.74%	29	1.29%
Mint	1745	211	12.09%	25	1.43%
OCC	3678	183	4.98%	11	0.30%
OIG	165	8	4.85%	2	1.21%
SIGT	131	3	2.29%	0	0.00%
TIGTA	791	35	4.42%	4	0.51%
TTB	476	38	7.98%	3	0.63%
TOTAL	110966	10331	9.31%	1927	1.74%

The employment of individuals with disabilities within the Department continues to be a focus of the Human Capital Advisory Council (HCAC). As a result, a Disability Dashboard is provided quarterly to assist the HCAC and the Department's leadership with monitoring the bureaus' progress in meeting their hiring goals. OCRD also includes a Disability Awareness section in its quarterly newsletter. Through the newsletter and other sources, the Department ensures that hiring managers are informed of and encouraged to use various resources that provide assistance with the

employment of qualified people with disabilities, e.g., OPM's Bender Consulting Services, the Division of Rehabilitation Services (DORS) and State Vocational Rehabilitation Agencies.

Based on the Equal Employment Opportunity Commission's issuance of its final regulations on the Americans with Disabilities Act Amendment Act (ADAAA), the Department revised its Reasonable Accommodation Policy and Procedures to reflect the changes in the ADAAA and submitted them to EEOC for review and comment. In addition, the Department deployed an online Reasonable Accommodation training for supervisors and managers via TLMS during the second quarter of FY 2012.

Accomplishments

The Department is proud of its accomplishments towards maintaining a model EEO program in FY 2012. The accomplishments below outline our many successes throughout the reporting period:

- Re-issued the Secretary's annual EEO Policy on September 19, 2012.
- Issued the Secretary's inaugural Diversity Policy on September 19, 2012.
- In accordance with EO 13583, OCRD and Bureau EEO Officers and Diversity/Inclusion colleagues, drafted and implemented a Treasury-wide Strategic Diversity and Inclusion Plan.
- Required bureaus to establish Diversity and Inclusion Plans and conducted reviews to ensure bureaus were meeting requirements outlined in the Department's Diversity and Inclusion Plan.
- Submitted a copy of the Department's updated Reasonable Accommodation Policy and Procedures to EEOC for review and comment.
- Posted the "new" Treasury-wide Reasonable Accommodation training module for supervisors and managers to the Treasury Learning Management System.
- Provided Treasury EEO Counselors with the mandatory eight-hour refresher training session.
- Hosted 511 interns Department-wide through various diversity internship programs, universities and colleges.
- Conducted quarterly data integrity reviews of Treasury/bureau workforce data to ensure accuracy.
- During the 4th quarter of FY 2012, OCRD partnered with OPM, HCSM, and the IRS Office of Equity, Diversity & Inclusion (EDI) to conduct an audit of the embedded EEO program in IRS' business unit, Criminal Investigations (C&I).
- Published quarterly EEO newsletters which provided Treasury's EEO practitioners,

- managers and supervisors, as well as employees, with information on relevant complaint issues, workforce statistics and important upcoming agency events/activities.
- Developed and released Treasury's new brochure, Workplace Harassment: Your Rights and Responsibilities, to educate Treasury employees on their rights and responsibilities as well as about the prevention of harassment in the workplace.
 - Distributed quarterly Treasury-wide dashboards to keep Bureau Heads and other Treasury leaders current on the state of Treasury's workforce and progress in meeting the established FY 2012 disability hiring goals. (Dashboards are included in Section II of the Treasury MD-715 report.)
 - As part of the Department's Strategic Diversity and Inclusion Plan, provided the Deputy Secretary with quarterly diversity performance slides.
 - Provided individualized MD-715/Workforce Analytics training for new EEO practitioners at two of Treasury's bureaus: FMS and DO.
 - Conducted four Root Cause Analysis training sessions; two for Treasury's bureaus, one for IRS' business unit (Wage & Investment), and one session for the U.S. Mint that included all of its EEO Managers in the field.
 - Hosted six enlightening Treasury-wide Special Emphasis awareness programs throughout FY 2012.
 - Secretary Geithner hosted the first ever Treasury Women 3.0 conference designed to elicit insight, recommendations, and develop priorities to enhance the experience of women throughout the Treasury workplace.
 - OCC continued to serve as executive sponsor of the Treasury Shared Neutrals Program, providing neutrals to Treasury bureaus to help in early resolution of complaints.
 - Increased the timely production of final agency decisions by closely monitoring the status through the Treasury Complaint Management System.
 - Conducted the FY 2012 Dispute Prevention Week designed to increase focus on resolution of complaints.
 - Provided feedback to each bureau on its FY 2011 Hispanic, Disabled Veterans and Federal Equal Opportunity Recruitment Program Reports. Feedback included a comprehensive analysis of the bureau's program successes and identified program areas that would benefit from more bureau attention.
 - Recognized in ODEP's Promising and Emerging Practices for Enhancing the Employment of Individuals with Disabilities for Treasury's

Disability Plan submitted under Executive Order 13548.

- Completed a joint compliance review with the IRS Civil Rights Division examining the civil rights compliance of a sample of Taxpayer Assistance Centers and VITA program sites in the City of New York.
- Continued to provide technical assistance to the IRS. In July 2012, the OCRD civil rights specialists provided introductory civil rights training to the new specialists of the IRS Civil Rights Division.
- Was part of the Treasury Open Government Working Group, and worked on the Treasury Open Government Flagship Initiative to create an Accessible Treasury Portal. The Treasury Accessibility Portal provides information about accessibility solutions available to persons with disabilities, and improved the offering of foreign language materials for limited English proficient individuals who speak Spanish. In its second phase, the initiative will result in a multilingual portal providing information in languages other than Spanish, including three Asian languages.
- Provided technical assistance and worked alongside the DO EEO Officer to complete a draft Self-Evaluation in compliance with 31

CFR part 17 and a draft Language Access Plan.

- Continued to participate in and support the initiatives of Interagency Working Groups (IWG) such as the IWG on Limited English Proficiency, the IWG on Title VI, and the Association of Federal External Civil Rights Specialists and Officers.

Workforce Diversity:

- Increased the Department's participation rate of Hispanics in FY 2012 to 10.5% from 10.3% in FY 2011.
- Continued to maintain one of the highest participation rates for Hispanic employees (10.5% compared to the CLF availability rate of 10.7%) among cabinet level agencies.
- Increased the participation rate for women at the GS-13 through GS-15 grade level by 4.1%, from 45.1% in FY 2005 to 49.2% in FY 2012. At the SES level, the participation rate for women increased by 9.2%, from 32.8% in FY 2005 to 42% in FY 2012.
- Increased the participation rate for non-Whites in the GS-13 through GS-15 grades by 6.6%, from 26.9% in FY 2005 to 33.5% in FY 2012. At the SES level, the participation rate increased by 2.6%, from 18.1% in FY 2005 to 20.7% in FY 2012.
- Exceeded the Department's goal that 10% of all new permanent hires be PWD (11.74%).

- Continued to hold the highest participation rate for persons with targeted disabilities (1.72% compared to the Federal goal of 2%) among cabinet level agencies.

Planned Activities/Conclusion

The Office of Civil Rights and Diversity's FY 2012 MD-715 Report outlines our successes in our equal opportunity programs and activities. The Department of Treasury is proud of its accomplishments in the areas of attracting and retaining an increasingly diverse workforce. However, we realize there is still much to be done to increase workforce diversity, specifically in senior pay levels and feeder groups and to improve the hiring and promotion rates of individuals with targeted disabilities. Therefore, as we move forward into the next fiscal year, we will maintain our focus on developing plans to ensure we have the broadest group of diverse, well-qualified talent from which to recruit.



OCR's FY 2013 planned activities include the following:

- Continue to monitor and adjust as needed Treasury's Strategic Diversity and Inclusion plan in FY 2013;
- Establish a Treasury Diversity Counsel and Charter;
- Establish a Treasury-wide Mentoring Program;
- Continue to closely monitor the Treasury Complaint Management System to ensure continued improvement in the timely production of Final Agency Decisions and EEO investigations;
- Continue to meet with each bureau EEO Office to review its employment profiles and identify potential problems in the areas of recruitment, promotion, or retention;
- Monitor bureau progress in correcting deficiencies noted in the FY 2012 MD-715 report;
- Continue to monitor the bureau plans to identify the existence of barriers to the employment of any group and strategies to eliminate any barriers that are uncovered;
- Provide feedback to each bureau on its FY 2012 Hispanic, Disabled Veterans and Federal Equal Opportunity Recruitment Program Reports. Feedback will include a comprehensive analysis of the bureau's program successes and identify program areas that would benefit from more bureau attention;
- Provide each bureau an assessment on their FY 2012 MD-715 report submissions. The assessment will identify bureau best practices and identify program areas where the bureau needs to provide more attention, and provide recommendations on future barrier analysis;

- Continue to ensure compliance with Executive Order 13548 by monitoring bureau plans to reach the goal of 10% participation rate of PWD and a sub-goal of 2% for PWTD and require bureaus to recommit to the goal that 2% of all new hires each year over the next five years are PWTD;
- Conduct semi-annual Treasury-wide No FEAR Act training (except for DO, which conducted training in FY 2012);
- Research and recommend tools that will assist bureaus in achieving their five-year hiring goals in FY 2012 to meet or exceed a 10% goal for PWD with a sub-goal of 2% for PWTD;
- Provide managers and supervisors with a revised/updated Hiring Managers Disability Tool Kit; and
- Continue to participate in the Federal Disability Workforce Consortium (FDWC) to gather and share recruitment and program best practices utilized throughout the Federal Government.

Glossary of Terms

The following definitions apply to this Directive:

Applicant: A person who applies for employment.

Applicant Flow Data: Information reflecting characteristics of the pool of individuals applying for an employment opportunity.

Barrier: An agency policy, principle, practice, or condition that limits or tends to limit employment opportunities for members of a particular sex, race, or ethnic background or for an individual (or individuals) based on disability status.

Civilian Labor Force (CLF): Persons 16 years of age and over, except those in the armed forces, who are employed or are unemployed and seeking work.

Disability: For the purposes of statistics, recruitment and targeted goals, the number of employees in the work force who have indicated having a disability on an Office of Personnel Management Standard Form (SF) 256. For all other purpose, the definition contained in 29 C.F.R. § 1630.2 applies.

Employees: Members of agency's permanent or temporary work force, whether full or part-time and whether in competitive or excepted service positions.

Employment Decision: Any decision affecting the terms and conditions of an individual's employment, including but not limited to hiring, promotion, demotion, disciplinary action and termination.

Feeder Group or Pool: Occupational group(s) from which selections to a particular job are typically made.

Fiscal Year: The period from October 1 of one year to September 30 of the following year.

Goal: Under the Rehabilitation Act, an identifiable objective set by an agency to address or eliminate barriers to equal employment opportunity or to address the lingering effects of past discrimination.

Major Occupation: Agency occupations that are mission related and heavily populated, relative to other occupation within the agency.

Reasonable Accommodation: Generally, any modification or adjustment to the work environment, or to the manner or circumstances under which work is customarily performed, that enables an individual with a disability to perform the essential functions of a position or enjoy equal benefits and privileges of employment as are enjoyed by similarly situated individuals without a disability. For a more complete definition see 29 C.F.R. § 1630.2(o). Also see, EEOC Enforcement Guidance on

Reasonable Accommodation and Undue Hardship under the Americans with Disabilities Act, No 915.002 (October 17, 2002)

Relevant Labor Force (RLF): The RLF is the labor force by occupation. It is used for making occupation comparisons, as opposed to general CLF, which represents the overall work force by class group. The RLF is developed by the Bureau of the Census. On their Website located at <http://www.census.gov/eeo2000/>, Census provides by class group data for every occupational category used in the census. The Census also provides a crosswalk identifying which census category should be used when comparing each Federal occupational series.

Section 501 Program: The affirmative program plan that each agency is required to maintain under 501 of the rehabilitation Act to provide individuals with disabilities adequate hiring, placement, and advancement.

Section 717 Program: The affirmative program of equal employment opportunity that each agency is required to maintain for all employees and applicants for employment under Section 717 of Title VII.

Special Recruitment Program: A program designed to monitor recruitment of, and track applications from, persons with targeted disabilities.

Targeted Disabilities: Disabilities that the Federal government, as a matter of policy, has identified for special emphasis in affirmative action programs. They are: deafness, blindness, missing extremities, partial paralysis, complete paralysis, epilepsy, severe intellectual disability, psychiatric disability, and dwarfism.

Trend Analysis: An aspect of technical analysis that tries to predict the future movement of something based on past data. Trend analysis is based on the idea that what has happened in the past gives us an idea of what will happen in the future.

Trigger: A condition which may cause a barrier analysis to be conducted under EEOC MD 715. In MD 715, EEOC requires agencies to prepare statistical tables representing various segments of employment data. The triggers alert the agency to possible barriers that may exist to equal employment opportunity.